

GENWAL COAL COMPANY

P.O. Box 1201 • Huntington, Utah 84528
 Telephone (801) 687-9813

Mine file
 S. Hinner
RECEIVED
 FEB 23 1987

DIVISION OF
 OIL, GAS & MINING

February 18, 1987

Mr. Lowell Braxton
 Department of Natural Resources
 Division of Oil, Gas and Mining
 355 W. North Temple
 3 Triad Center
 Suite 350
 Salt Lake City, Utah 84180-1203

Re: In mine ground water monitoring drill holes.

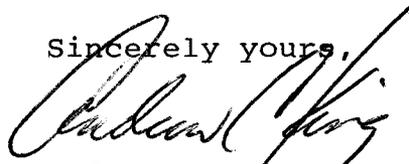
Dear Lowell,

Genwal Coal Company has not yet drilled the in mine ground water monitoring holes. The delay in drilling these holes has been a combination of not having received the approval for Tract 2 and a lack of contracts in order to mine the coal and expand the mine.

We have recently obtained some contracts that will enable us to expand the mine into these areas. Secondly, I believe the permit has been issued out of Washington for the Tract 2 area, these two circumstances will enable us to expand the mine. As soon as we mine to these areas we will drill the holes as required. We anticipate reaching these area by June 1987.

I have recently discussed this matter with Dave Cline, if you should have any further questions or comments please feel free to contact me at 637-7383. Thank you for your time and consideration.

Sincerely yours,


 Andrew C. King

Sue: check the required dates for drilling those holes. We should send Genwal a letter establishing our position based upon their lower-than-anticipated rate of mining, and the recently approved tract 2 issuance

L/B

2-23